

CARES Act Additional Funding
Regional Center Questions
Friday, July 17, 2020

Operations

1. DDS has indicated its intent to apply for FEMA funds to offset overall expenses the system has incurred as a result of COVID-19. If RCs receive funding under the CARES Act, would this be a duplication of the FEMA funding?

DDS Response: DDS is analyzing different sources of funds, but FEMA funds are not guaranteed, so CARES Act funding should be sought. Even after application approval, there is a period of time to decide whether to accept the funds.

2. The instructions state that to be eligible, applicant “must have either directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for healthcare-related services.” Do regional centers meet these criteria?

DDS Response: Yes. Federal FAQs make clear that both regional centers and vendors are eligible. Link to FAQs: <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs/medicaid-distribution/index.html#enhanced-provider>

Relevant FAQ:

“If a healthcare provider is paid through a certified public expenditure (CPE), will the provider be eligible for the Provider Relief Fund Medicaid and CHIP Distribution? (Added 6/25/2020)

These mechanisms do not impact eligibility for the Provider Relief Fund. Medicaid and CHIP Distribution payments will be paid to the filing TIN entity based on the entity's percentage of total revenue attributable to patient service revenue.”

3. Would the Provider Distribution Funds have any impact to regional centers’ OPS allocation? In other words, would offsetting be required? If yes, in what instances?

DDS Response: Recipients cannot use the funds for expenses already reimbursed or if other sources are required to reimburse them. There may be differences in eligibility between FY 2019-2020 and FY 2020-2021 because COVID-19 OPS expenses were not included in the FY 2020-21 Budget, but they were included in the FY 2019-20 Budget.

4. Can RCs apply for unreimbursed OPS expenses for both 2019-20 and 2020-21?

DDS Response: See above.

5. The payment to each applicant will be approximately 2% of reported gross revenue from patient care. For RCs, would gross revenues from patient care for CY 2017, 2018, or 2019 be the OPS contract amount for those years?

DDS Response: DDS will follow-up on whether there needs to be an adjustment to the OPS contract amount to account for costs incurred only for those individuals who were Medicaid eligible.

6. Is it DDS' intent to require additional reporting/audits beyond what is required by the Health Resources & Service Administration (HRSA)?

DDS Response: This has not yet been determined, but DDS will notify regional centers of additional reporting requirements as they become known.

POS

1. If funding for POS expenditures is sought, would it be regional centers' or providers' responsibility to apply for COVID-19 related expenditures?

DDS Response: Providers need to apply directly for funding they are eligible for. As of recently, no state had greater than 5% of its providers that had applied for the funds, which may have led to the extension of the timeline for application from July 20 to August 3.

2. Based on initial review, it appears Provider Distribution Funds should not be used on POS expenditures related to COVID-19. Is that consistent with DDS's interpretation?

DDS Response: Providers may apply for costs (*e.g.*, expenses due to lost revenue and technology) that are not reimbursed through regional center POS.